

GORDON GRAY
800 17TH STREET, N. W.
WASHINGTON, D. C. 20006

Executive Registry

70-5678

November 11, 1970

*Answered
by phone
16 Nov '70
mt*

Mr. Richard M. Helms
Director
Central Intelligence Agency
Washington, D. C.

Dear Dick:

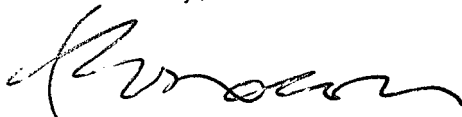
Please note the enclosed copy of a
letter I have received from Mr. William S.
Smith.

I suppose I have two questions:

(1) Do you have any general comments
which could appropriately be passed on to Mr.
Smith?

(2) Does the Agency ever make a direct
response to a question of this sort?

Sincerely,


Gordon Gray

Enclosure

DCI

RUR
R.J. Reynolds Tobacco Company
Winston-Salem, N. C. 27102

William S. Smith
President

November 3, 1970

Dear Gordon:

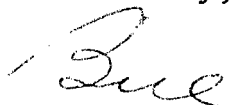
Our International Division has received a proposal from South Vietnam to manufacture our brands there. Apparently they are very much interested in reducing the black market on cigarettes in that country, and they propose to allow a U. S. cigarette manufacturer to import their brands at a greatly reduced import duty, provided that manufacturer is willing to build a plant and start manufacturing in South Vietnam in approximately two years. As you probably know, SALEM enjoys great popularity with the Vietnamese.

We do not have all the facts and figures needed to decide whether we should pursue this matter further. Several of us are very concerned about, what we consider, a very high element of risk in making a capital investment in that country. The stability of the South Vietnamese Government and the possibility of Communist takeover, if and when our troops are withdrawn, are key considerations in this venture.

We fully realize the impossibility of accurately predicting what will take place in South Vietnam when we withdraw, but would appreciate any thoughts you have in this matter. The International Division knows that I am contacting a friend in Washington, but your name has not been mentioned and, of course, any information you give me will be held very confidential.

Thank you for your help.

Sincerely,



Mr. Gordon Gray
Suite 403
800 - 17th Street N. W.
Washington, D. C. 20006

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TO	NAME AND ADDRESS	DATE	INITIALS
1	The Director		<i>[Handwritten initials]</i>
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ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE
Remarks:			
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